



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

APR 23 2018

George Lenard, Treasurer
Chappelle-Nadal for Congress
P.O. Box 300254
University City, MO 63130

RE: MUR 7108
Chappelle-Nadal for Congress and
George Lenard in his official
capacity as treasurer

Dear Mr. Lenard:

On July 25, 2016, the Federal Election Commission notified you of a complaint alleging that Chappelle-Nadal for Congress and you in your official capacity as treasurer (the "Federal Committee") violated certain sections of the Federal Election Campaign Act of 1971, as amended. On April 19, 2018, the Commission found, on the basis of the information in the complaint and your response, that there is no reason to believe that the Federal Committee violated 52 U.S.C. §§ 30104(b) and 30125(e)(1)(A) and 11 C.F.R. § 104.13(a). Accordingly, the Commission closed its file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003), and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). A Factual and Legal Analysis, which more fully explains the Commission's findings, is enclosed.

If you have any questions, please contact Shanna Reulbach, the attorney assigned to this matter, at (202) 694-1638.

Sincerely,

A handwritten signature in black ink, appearing to read "Lynn Y. Tran".

Lynn Y. Tran
Assistant General Counsel

Enclosure
Factual and Legal Analysis

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Chappelle-Nadal for Congress and George MUR: 7108
Lenard in his official capacity as treasurer

I. INTRODUCTION

This matter was generated by a Complaint filed with the Federal Election Commission (the "Commission") by Mary Patricia Dorsey. The Complaint alleges that Chappelle-Nadal for Congress and George Lenard in his official capacity as treasurer (the "Federal Committee") violated the Federal Election Campaign Act of 1971, as amended (the "Act"), by directing state and local candidates to spend soft money to print and distribute a door hanger supporting Maria Chappelle-Nadal's federal candidacy. The Complaint also alleges that the Federal Committee coordinated the communication with the non-federal candidates, making expenditures for the door hanger in-kind contributions that the Federal Committee failed to report.

II. FACTUAL & LEGAL ANALYSIS

A. Factual Background

Maria Chappelle-Nadal is a Missouri State Senator who is running for statewide office in 2020.¹ During the 2016 election cycle, Chappelle-Nadal also ran for Congress.² The Complaint observes that Chappelle-Nadal's state committee, Citizens for Maria Chappelle-Nadal (the "State Committee"), donated money to other state and local candidates and committees, including Jay Mosley and Rochelle Walton Gray.³

¹ See Compl. at 1 (July 18, 2016); Amended Statement of Committee Organization, Citizens for Maria Chappelle-Nadal (Jan. 28, 2015).

² See Compl. at 1; Statement of Organization, Chappelle-Nadal for Congress (Oct. 6, 2015); Statement of Candidacy, Maria Chappelle-Nadal (Oct. 6, 2015).

³ See Compl. at 1.

1 The Complainant states that she received a door hanger promoting Chappelle-Nadal's
2 congressional candidacy in June 2016.⁴ She attached a copy of the door hanger to the
3 Complaint. The door hanger encourages people to "Vote Democratic & Elect" Chappelle-Nadal
4 and state and local candidates Jay Mosley, Rochelle Walton Gray, Tony Weaver, and Linda
5 Weaver. The front of the door hanger has pictures of each candidate and, on the back, there is
6 more information about Jay Mosley and Rochelle Walton Gray and a disclaimer that states,
7 "Paid for by Citizens to Elect Gray, Angela Mosley, Treasurer & by Citizens to Elect Jay
8 Mosley, LLC, Angela Mosley, Treasurer."⁵

9 The Complaint alleges that, after the State Committee gave money to Citizens to Elect
10 Gray and Citizens to Elect Jay Mosley State Committee LLC, the Federal Committee directed
11 those committees, along with Linda Weaver, to spend funds on the door hanger.⁶ The Complaint
12 therefore alleges that the Federal Committee violated the Act by directing the use of non-federal
13 funds in connection with a federal election. Because the Federal Committee allegedly requested
14 that Gray, Mosley, and Weaver produce and distribute the door hanger, the Complaint also
15 argues that the door hanger was a coordinated communication that the Federal Committee failed
16 to report as an in-kind contribution.⁷

17 In response, the Federal Committee denies coordinating with Gray and Mosley. It states
18 that the contributions made by the State Committee to Gray and Mosley were solely for the
19 purpose of supporting their campaigns and any "[d]ecisions concerning expenditure of those

⁴ *Id.*

⁵ *Id.*, Attach. A.

⁶ *Id.* at 1.

⁷ *See id.*

1 funds, once contributed, were entirely at the discretion of the Gray and Mosley candidate
2 committees.”⁸

3 The Commission is also in possession of additional information indicating that, despite
4 the disclaimer on the door hanger, Citizens to Elect Gray paid for the entirety of the
5 communication, and Mosley and Weaver did not pay for any portion. The additional information
6 in the Commission’s possession further indicates that Gray has denied coordinating with the
7 Federal Committee regarding the door hanger.

8 **B. Legal Analysis**

9 The Act’s soft money provision prohibits federal candidates, their agents, and entities
10 established, financed, maintained, or controlled (“EFMC’d”) by federal candidates from
11 soliciting, receiving, directing, transferring, or spending funds “in connection” with any federal
12 election unless the funds are in amounts and from sources permitted by the Act.⁹ Under
13 Missouri law, candidates can accept unlimited contributions and contributions from corporations
14 and labor unions.¹⁰ Therefore, Missouri allows candidates to collect funds in excess of federal
15 limitations and from sources prohibited by the Act, *i.e.* soft money.¹¹ Furthermore, when a
16 person produces a communication at the request or suggestion of a candidate or her authorized

⁸ Resp. at 2 (Aug. 15, 2016).

⁹ 52 U.S.C. § 30125(e)(1)(A)-(B); 11 C.F.R. §§ 300.61-.62.

¹⁰ MO. REV. STAT. §§ 130.011-.160 (providing no contribution limit); *id.* § 130.029 (stating that corporations and labor organizations may make contributions).

¹¹ 52 U.S.C. § 30116(a)(1)(A) (providing the individual contribution limit); *Contribution Limits for 2015-2016 Federal Elections*, FED. ELECTION COMM’N, <http://www.fec.gov/info/contriblimitschart1516.pdf> (last visited Jan. 30, 2017) (stating that the indexed individual contribution limit to a candidate and her authorized committee is \$2,700 per person, per election); *see also* 52 U.S.C. § 30118(a) (prohibiting corporations and labor unions from contributing to candidates and political committees).

1 committee, the communication is coordinated and must be reported by the committee as an in-
2 kind contribution.¹²

3 In this case, the Federal Committee, an entity EFMC'd by congressional candidate
4 Chappelle-Nadal, has denied directing Citizens to Elect Gray, a Missouri political committee free
5 to collect soft money, to pay for the door hanger.¹³ The Federal Committee's denial is supported
6 by additional evidence in the record. As there is no evidence that the Federal Committee
7 directed Citizens to Elect Gray to spend soft money on the door hanger, the Commission finds no
8 reason to believe that the Federal Committee violated 52 U.S.C. § 30125(e)(1)(A). Relatedly,
9 because there is no evidence that the Federal Committee coordinated with Citizens to Elect Gray
10 in the creation and distribution of the door hanger,¹⁴ the Federal Committee did not have to
11 report the door hanger as an in-kind contribution. Therefore, the Commission also finds no
12 reason to believe that the Federal Committee violated 52 U.S.C. § 30104(b) and the reporting
13 requirements at 11 C.F.R. § 104.13(a).

¹² 52 U.S.C. § 30116(a)(7)(B); 11 C.F.R. § 109.21(b)(1).

¹³ See Resp. at 2.

¹⁴ In order for an activity to be coordinated under the Commission's regulations, among other requirements, it must meet at least one of five enumerated conduct standards. 11 C.F.R. § 109.21(a)(3). Those standards are: request or suggestion; material involvement; substantial discussion; common vendor; and former employee or independent contractor. *Id.* § 109.21(c)(1)-(5); see also 52 U.S.C. § 30116(a)(7)(B). There is no evidence relating to any of these standards.